

MEMORANDUM

Luxembourg New Government Assumes Power

Luxembourg's new Christian Social-Socialist coalition government, which will probably assume office this week, will not alter the Grand Duchy's pro-NATO outlook, but support for some Alliance programs will probably weaken.

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The presence of Socialists in the cabinet and especially the appointment of party leader Jacques Poos as Foreign Minister, probably means the government will be split on proposals to increase defense spending and expand NATO facilities in Luxembourg. In recent years, the leftwing of the Socialist Party has attacked what it calls the "militarization of Luxembourg" and was especially critical of the previous center-right government's decision to register AWACS in Luxembourg and to support expansion of US facilities. need to satisfy leftist concerns may force Poos and his Socialist cabinet colleagues to adopt a more skeptical view of selected NATO programs. Proposals to enhance Luxembourg's reserve forces and to expand US ammunition storage facilities, for example, probably will be more contentious than would have been the case under the previous government. According to the US Embassy, Poos is particularly interested in Third World issues. We suspect that he might be tempted to satisfy the Socialist left by taking a more critical tone toward Washington on issues such as Central America and southern Africa in order to deflect attention from more substantive matters concerning NATO.

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There are, however, clear limits on how far the Socialists can go in adopting a more skeptical view of US and NATO policies. Luxembourg's fundamentally pro-US outlook and long tradition of support for the NATO and EC consensus in foreign policy would make it difficult for the Socialists to change major programs even if their leaders wanted to. Poos himself is likely to support measures that ensure Luxembourg's reputation as a dependable ally. Finally, the dominant Christian Social Party will oppose any proposals that could weaken Luxembourg's participation in the Alliance.

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